

Message Text

MRN: 1976OTTAWA003186 SEGMENT NUMBER: 000001 ERROR READING TEXT INDEX

FILE; TELEGRAM TEXT FOR THIS SEGMENT IS UNAVAILABLE

ADP970

SECRET

PAGE 01 OTTAWA 03186 02 OF 03 070014Z

63

ACTION EUR-12

INFO OCT-01 EA-07 IO-13 ISO-00 CIAE-00 DODE-00 PM-04 H-02

INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15

USIA-06 EB-07 OMB-01 TRSE-00 SIL-01 LAB-04 COME-00

/092 W

----- 039999

R 062219Z AUG 76

FM AMEMBASSY OTTAWA

TO SECSTATE WASHDC 694

INFO AMEMBASSY LONDON

AMEMBASSY PARIS

AMEMBASSY BONN

AMEMBASSY TOKYO

USMISSION NATO BRUSSELS

USMISSIONOECD PARIS

USMISSION USUN NEW YORK

US MISSION USEC BRUSSELS 760

S E C R E T SECTION 2 OF 3 OTTAWA 3186

CIVIL SERVANTS WHO LACK ENTHUSIASM OR HARBOR HOSTILITY
TOWARDS THE GOVERNMENT THEY SERVE WILL BE MORE INCLINED
THAN USUAL TO SLOPPY PERFORMANCE AND CAN IN EXTREME
CASES SABOTAGE GOVERNMENT EFFORTS (VIZ., THE RECENT
LEAKS OF CONFIDENTIAL DOCUMENTS). A GOVERNMENT THAT
LOOKS TO BE ON ITS WAY OUT CAN EXPECT MORE OF THIS AS
CIVIL SERVANTS SEEK TO HEDGE THEIR BETS FOR THE FUTURE.
A CABINET CHANGE OF SIGNIFICANT PROPORTIONS THAT
REMOVED MINISTERS WHO ARE THEMSELVES INCOMPETENT AND
THOSE MOST UNPOPULAR WITH THE BUREAUCRACY COULD HELP,
AS COULD DE-EMPHASIS ON BILINGUALISM IN THE PUBLIC
SERVICE.

(D) THE LIBERAL GOVERNMENT HAS BEEN HURT BY THE
ELITIST IMPRESSION IT CONVEYS IN ARROGATING TO ITSELF
A MONOPOLY ON DECIDING WHAT IS RIGHT FOR THE COUNTRY.

SECRET

SECRET

PAGE 02 OTTAWA 03186 02 OF 03 070014Z

IT IS SEEN BY MANY CANADIANS AS RESPONDING TO ELITIST PRESSURES WITHIN THE GOVERNMENT (THE TAIWAN OLYMPIC POSITION IS A LOGICAL EXTENSION OF CANAD'S CHINA POLICY BUT MAKES NO SENSE IN MOOSE JAW) AND OUTSIDE THE GOVERNMENT (BILL C-58 IS PLEASING TO THE CULTURAL NATIONALISTS BUT IS IT WORTH THE RISK TO OSHAWA VIEWERS OF HAVING ARCHIE BUNKER BLACKED OUT OF THEIR SCREENS?) UNRESPONSIVENESS TO MAJORITY INTERESTS COULD IN PART BE CORRDCTED BY, AGAIN, A CABINET CHANGE WHICH REMOVED MINISTERS SO LONG IN OFFICE AS TO BE OUT OF TOUCH WITH THE COUNTRY AND THEIR REPLACEMENT BY NEW MINISTERS WITH SHARPER POLITICAL INSTINCTS, PARTICULARLY MPS FROM UNSAFE CONSTITUENCIES. ANOTHER STEP IN THIS DIRECTION WOULD BE PARLIAMENTARY REFORM WHICH GAVE MPS, AND THROUGH THEM THE COUNTRY, MORE REAL INPUT INTO THE FORMULATION OF POLICIES AND LEGISLATION BEYOND THEIR PRESENT TAIL-BETWEEN-THE-LEGS ROLE OF SIMPLY VOTING FOR THEIR PARTY'S POSITION. STILL ANOTHER WOULD BE SPONSORSHIP OF A FREEDOM OF INFORMATION ACT.

(E) THE LIBERALS MUST QUESTION WHETHER THEIR PRESENT ECONOMIC POLICIES AND HOPES FOR A CANADIAN ECONOMIC UPTURN FOLLOWING A U.S. RECOVERY WILL BE SUFFICIENT TO PROVIDE THEM THE ELECTORAL HOLE-CARD OF PROSPERITY FAVORING THE INCUMBENTS. THE VERY PROSPERITY ENJOYED BY MOST CANADIANS MAKES THEM SENSITIVE TO SIGNS AND PORTENTS SUGGESTING THAT GOVERNMENT ECONOMIC POLICIES AND PHILOSOPHY MAY PREVENT THEM FROM DOING AS WELL AS THE NEXT GUY, STOP THEM FROM IMPROVING THEIR LOT EVEN MORE, OR EVEN TAKE SOMETHING AWAY FROM THEM LIBERALS MAY NOTE WITH SATISFACTION THAT UNEMPLOYMENT RATES HAVE REMAINED STATIC AND INFLATION RATES ARE CONSIDERABLY LOWER THAN LAST YEAR. AT THE SAME TIME THEY SEE INDEPENDENT ECONOMIC ANALYSTS PREDICTING SLOWER ECONOMIC GROWTH IN 1977 THAN IN 1976 AND ARE AWARE OF OTHER WEAKNESSES IN THE ECONOMY: LARGE CURRENT ACCOUNT DEFICIT, SLOW-DOWN IN FIXED CAPITAL INVESTMENT, DECLINE IN CONSUMER CONFIDENCE, OVERVALUED CANADIAN DOLLAR, A PREFERENCE FOR INVESTMENT IN THE U.S. RATHER THAN CANADA BY CANADIAN INVESTORS. THEY ARE ALSO AWARE THAT THE WAGE AND PRICE CONTROL PROGRAM HAS CAUSED

SECRET

SECRET

PAGE 03 OTTAWA 03186 02 OF 03 070014Z

DISENCHANTMENT WITH THE GOVERNMENT ON THE PART OF LEADERS OF BOTH LABOR AND BUSINESS, WITH THE LATTER ADDITIONALLY SUSPICIOUS OF TRUDEAU FOR HIS SOCIALISTIC MUSINGS ABOUT THE POSSIBILITY OF FURTHER CONTROLS IN THE FUTURE. THERE IS EVIDENCE THAT LIBERAL PLANNERS ARE NOW LOOKING AT WAYS OF ASSOCIATING BUSINESS AND LABOR

IN THE ECONOMIC DECISION-MAKING PROCESS TO OVERCOME THIS
DISENCHANTMENT AND, SPECIFICALLY, TO SHARE WITH THEM
RESPONSIBILITY FOR WHAT HAPPENS IN THE POST-CONTROL
PERIOD. HOWEVER, A THIRD MEETING BETWEEN TRUDEAU AND
LABOR LEADERS ON AUGUST 6 APPEARS TO HAVE FAILED TO
MOLLIFY THE LATTER SUFFICIENTLY TO AVERT A NATION-WIDE
ONE-DAY WORK STOPPAGE SCHEDULED FOR OCTOBER 13, THE
FIRST ANNIVERSARY OF THE CONTROLS PROGRAM. WHILE
BASICALLY A TOKEN PROTEST, AS THE FIRST NATION-WIDE
STRIKE IN CANAD'S HISTORY, THE STOPPAGE -- IF IT OCCURS --
WOULD HAVE SYMBOLIC IMPORTANCE (REF E)..

(F) LIBERAL PLANNERS UNDOUBTEDLY ARE LOOKING AT
THE EFFECT OF CANADIAN FOREIGN POLICY POSITIONS ON THE
PARTY'S ELECTORAL PROSPECTS. THE YAWNS WITH WHICH THE
COUNTRY GREETED THE ACHIEVEMENT OF THE LONG-SOUGHT
"CONTRACTUAL LINK" WITH THE EEC IS INDICATIVE OF THE
ZERO EFFECT MOST FOREIGN POLICY ISSUES HAVE ON THE
CANADIAN ELECTORATE. THE GENERALLY ADVERSE REACTIONS
TO TRUDEAU'S VISIT TO CUBA AND TO THE CANADIAN POSITION
ON TAIWAN'S PARTICIPATION IN THE OLYMPICS SUGGEST THAT
THERE IS LITTLE TO BE GAINED AND POSSIBLY SOMETHING TO
BE LOST BY OVER-ACTIVE PURSUIT OF CONE-"TRENDY"
RELATIONS WITH SUCH COUNTRIES AS CUBA AND THE PRC.
TRUDEAU'S PLANNED VISIT TO JAPAN IN OCTOBER MAY BE AN
INDICATION THAT TRUDEAU'S ADVISERS ARE COUNSELLING
CONCENTRATION OF FOREIGN POLICY EFFORTS FOR THE NEXT
TWO YEARS ON AREAS OF GREATER TANGIBLE INTEREST TO
CANADA RATHER THAN ON COUNTRIES IN WHICH CANADIAN
INTEREST SEEMS TO DERIVE FROM AN IDEOLOGICAL DILETTANTISM
OUTSIDE THE MAINSTREAM OF CANADIAN THOUGHT AND/OR FROM
A DESIRE TO UNDERSCORE CANADA'S DIVERSITY FROM THE U.S.

(G) TRUDEAU'S ADVISERS ARE WELL AWARE THAT
CANADA'S RELATIONSHIP WITH THE U.S. IS THE ONE FOREIGN

SECRET

SECRET

PAGE 04 OTTAWA 03186 02 OF 03 070014Z

POLICY ISSUE WHICH CAN HAVE MAJOR ELECTORAL REPER-
CUSSIONS. IT IS A DELICATE ONE FOR THEM TO DALL. AN
APPEARANCE OF SUBSERVIENCE TOWARDS THE U.S. WOULD BOTH
GO AGAINST THE TRUDEAU GOVERNMENT'S GRAIN AND COST
HEAVILY POLITICALLY. ON THE OTHER HAND, THEY ARE
ACUTELY AWARE THAT THE APPEARANCE OF MISMANAGEMENT OF
WHAT IS OVERWHILMINGLY CANADA'S MOST IMPORTANT FOREIGN
RELATIONSHIP COULD HAVE WORSE CONSEQUENCES. THEY
UNDOUBTEDLY HAVE BEEN WATCHING WITH DISCOMFORT
CANADIAN REACTIONS TO PUBLIC EMPHASIS ON THE PROBLEMS
BETWEEN THE TWO COUNTRIES MADE IN SPEECHES BY AMBASSADORS
PORTER AND ENDERS AND IN PUBLISHED STUDIES BY THE
CANADIAN SENATE AND THE CANADIAN-AMERICAN COMMITTEE.
THE CANADIAN PUBLIC SEEMS GENERALLY TO BE CONCLUDING

THAT THE LEVEL OF DISCORD BETWEEN THE TWO COUNTRIES IS AT AN ALL-TIME HIGH AND BLAMES TRUDEAU FOR THIS. TRUDEAU'S POLITICAL ADVISERS ARE PROBABLY CONCLUDING THAT SHOCKS TO U.S.-CANADIAN RELATIONS MUST BE AVOIDED IN THE NEXT TWO YEARS AND MAY HAVE IN MIND THAT SOME MAJOR COOPERATIVE UNDERTAKING WOULD BE DESIRABLE TO DISPEL THE GROWING SENSE THAT TRUDEAU IS MISMANAGING THE RELATIONSHIP.

(H) THE MAJOR PROBLEM LIBERAL OPERATIVES MUST BE WRESTLING WITH IS HOW TO REPROGRAM TRUDEAU TO TRANSFORM HIM FROM BEING, AT PRESENT, A NET LIABILITY TO THE PARTY TO BECOMING, HOPEFULLY, MORE THAN JUST A NET ASSET. MANY OF THE WAYS FOR IMPROVING LIBERAL POPULARITY WHICH THE FOREGOING ANALYSIS SUGGEST WOULD REQUIRE A DIFFERENT TRUDEAU THAN THE ARROGANT PHILOSOPHER-KING OF THE PAST TWO YEARS. TRUDEAU HAS AN OBSTINATE STREAK AND RESISTS PRESSURES UP TO AND SOMETIMES BEYOND THE BREAKING-POINT (E.G. IT TOOK FINANCE MINISTER TURNER'S RESIGNATION TO GET HIM TO MOVE ON THE ECONOMIC POLICY FRONT; IT TOOK A PILOTS' STRIKE TO BUDGE HIM ON BILINGUALISM IN MONTREAL AIRSPACE). IT WILL ACCORDINGLY BE HARD FOR HIM TO BACK DOWN ON BILINGUALISM (HIS MOST CHERISHED PROGRAM), TO BID FAREWELL TO CABINET MINISTERS WHO, WHILE LIABILITIES, ARE OLD AND TRUSTED FRIENDS, TO SWALLOW HIS CONTEMPT FOR PARLIAMENT TO THE EXTENT OF GIVING THAT BODY ANY MEANINGFUL SHARE

SECRET

SECRET

PAGE 05 OTTAWA 03186 02 OF 03 070014Z

IN DECISION-MAKING, TO RESTRAIN HIS ANIMOSITY TO THE PRESS, HIS CONDESCENSION TO THE MERE MORTALS HE RULES, HIS HABIT OF OFF-THE-TOP-OF-HIS-HEAD PHILOSOPHIZING ALONG GALBRAITHIAN/CLUB OF ROME LINES. IN 1974 HE SHOWED THAT HE WAS CAPABLE OF CHANGING HIS STYLE, OF BECOMING A REALISTIC, HARD-HITTING, EVEN WARM PIERRE TRUDEAU WHO GAVE THE PEOPLE WHAT THEY WANTED PACKAGED IN EMPATHY NOT ARROGANCE. THE SUCCESS OF WHATEVER GAME PLAN THE LIBERALS DEVISE COULD FOUNDER UNLESS TRUDEAU IS WILLING TO TAKE SOME HARD DECISIONS AND

SECRET

NNN

SECRET

PAGE 01 OTTAWA 03186 03 OF 03 070035Z

63

ACTION EUR-12

INFO OCT-01 EA-07 IO-13 ISO-00 CIAE-00 DODE-00 PM-04 H-02

INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15

USIA-06 EB-07 OMB-01 TRSE-00 SIL-01 LAB-04 COME-00

/092 W

----- 040287

R 062219Z AUG 76

FM AMEMBASSY OTTAWA

TO SECSTATE WASHDC 695

INFO AMEMBASSY LONDON

AMEMBASSY PARIS

AMEMBASSY BONN

AMEMBASSY TOKYO

USMISSION NATO BRUSSELS

USMISSION OECD PARIS

USMISSION USUN NEW YORK

US MISSION USEC BRUSSELS 761

S E C R E T SECTION 3 OF 3 OTTAWA 3186

IMPLEMENT GENUINE RATHER THAN MERELY COSMETIC CHANGES LONG ENOUGH IN ADVANCE OF THE ELECTIONS TO CHANGE VOTER PERCEPTIONS OF HIS GOVERNMENT. HE MUST ALSO BE PREPARED TO ADOPT A VOTER-APPEALING STYLE (WHETHER THAT OF 1974 OR THAT OF WISE ELDER STATESMAN).

3. A FACTOR THAT MIGHT DISINCLINE TRUDEAU TO CHANGE HIS AND HIS GOVERNMENT'S LIFESYTL E AT THIS TIME IS THE FACT THAT, NOTWITHSTANDING LOW POLL RATINGS, THEY ARE NOT FACING IMMINENT DEFEAT. BARRING SOME UNFORESEEABLE DISASTER, NOTHING CAN HAPPEN TO THREATEN TRUDEAU'S HOLD ON POWER FOR A GOOD TWO YEARS, WITHIN WHICH TIME THINGS MIGHT TURN IN HIS FAVOR WITHOUT HIS HAVING TO TAKE ANY DISTASTEFUL DECISIONS. WHATEVER AMBIGUITY THERE MIGHT BE IN CURRENT ECONOMIC INDICATORS, TRUDEAU CAN WITH SOME JUSTIFICATION EXPECT THAT THE ECONOMY, SECRET

SECRET

PAGE 02 OTTAWA 03186 03 OF 03 070035Z

WHICH ALREADY GIVES CANADIANS ONE OF THE HIGHEST STANDARDS OF LIVING IN THE WORLD, WILL IN TWO YEARS HAVE IMPROVED TO THE POINT WHERE VOTER PERCEPTION OF PROSPERITY WILL CONSTITUTE AN ARGUMENT AGAINST CHANGING HORSES AND WILL HAVE CLOUDED RECOLLECTION OF PAST TRUDEAU GOVERNMENT PECCADILLOES. WITH THESE CONSIDER-

ATIONS REINFORCING TRUDEAU'S TENDENCY TO "HANG IN THERE", HE IS QUOTE CAPABLE OF SHRUGGING OFF ADVICE PROPSING MAJOR AND PAINFUL CHANGES, GO WITH A MINIMALLY-ALTERED CABINET, WARD OFF FUTURE MINISTERIALS MISSTEPS WITH A STERN LOOK, PUT THE FEAR OF GOD IN CIVIL SERVANTS OVER LEAKED DOCUMENTS, AND DELAY ANY MAJOR FACE-LIFTING EFFORTS UNTIL THE EVE OF THE ELECTORAL CAMPAIGN PROPER.

4. A FURTHER CONSIDERATION THAT MAY INDUCE TRUDEAU TO BIDE HIS TIME IS THE NATURE OF HIS OPPOSITION. EVEN BEING UNCHARACTERISTICALLY MODEST, TRUDEAU CAN TAKE COMFORT FROM THE FACT THAT JOE CLARK IS NO MATCH FOR HIM IN A SLUGGING BOUT. CLARK'S POLITICAL RISE OVER THE PAST HALF YEAR HAS BEEN ALMOST ENTIRELY THE RESULT OF LIBERAL SELF-INFLICTED BLOWS. TRUDEAU CAN CONCLUDE THAT WITH A MINIMAL CLEANING UP OF HIS OWN ACT, HE CAN WAIT FOR THE INEVITABLE DAY WHEN CLARK MUST START OUTLINING HIS OWN PROGRAMS, AT WHICH POINT TRUDEAU CAN POUNCE.

5. IN THE LAST ANALYSIS, LIBERAL HOPES WILL STAND OR FALL ON THE BIGGEST IMPONDERABLE OF ALL: BOTER ATTITUDES TOWARD PIERRE TRUDEAU. VOTER KNOWLEDGE OF THE LIBERAL PARTY'S ABILITY TO COME FROM BEHIND PERSUADED A PLURALITY OF THOSE POLLED IN A RECENT SURVEY TO EXPECT THAT THE LIBERALS WILL SOMEHOW DO THE NECESSARY TO WIN (REF B). HOWEVER, TRUDEAU'S PERSONAL POPULARITY REMAINS AT AN ALL-TIME LOW. HIS STATURE AS A POLITICAL AND INTELLECTUAL LEADER IS CHALLENGED BY NO ONE ON THE CANADIAN SCENE AND HE STILL HAS MANY PASSIONATE SUPPORTERS. BUT THE NUMBERS OF THOSE WHO IN THE PAST WOULD HAVE GIVEN HIM AUTOMATIC SUPPORT AND THOSE WHO WOULD HAVE AUTOMATICALLY GIVEN HIM THE BENEFIT OF ANY DOUBT ARE REDUCED, WHILE THE RANKS OF HIS KNEE-JERK OPPONENTS ARE SWELLING. IT
SECRET

SECRET

PAGE 03 OTTAWA 03186 03 OF 03 070035Z

SEEMS UNLIKELY THAT ANY CANDIDATE-PACKAGING CAN RESTORE THE TRUDEAUMANIA OF THE LATE SIXTIES. IF TYE MISTRUST AND SUSPICION OF HIMSELF THET TRUDEAU HAS STIMULATED OVER THE YEARS HAS MADE TRUDEAUPHOBIA A DOMINANT VOTER ATTITUDE, NO GIME PLAN HOWEVER WELL DEVISED WILL WORK.
ENDERS

SECRET

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 06 AUG 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: BoyleJA
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976OTTAWA03186
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: RR
Errors: CORE1
Film Number: n/a
From: OTTAWA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760876/aaaacogq.tel
Line Count: 324
Locator: ADS TEXT UNRETRIEVABLE
Office: ACTION EUR
Original Classification: SECRET
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 6
Previous Channel Indicators: n/a
Previous Classification: SECRET
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: BoyleJA
Review Comment: n/a
Review Content Flags: ANOMALY
Review Date: 05 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <05 APR 2004 by CunninFX>; APPROVED <03 AUG 2004 by BoyleJA>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: n/a
TAGS: n/a
To: SECSTATE WASHDC LONDON PARIS BONN TOKYO NATO BRUSSELS OECD PARIS USUN NEW YORK
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006